VZCZCXRO0408 PP RUEHAG DE RUEHCV #1266/01 1301927 ZNY CCCCC ZZH P 101927Z MAY 06 FM AMEMBASSY CARACAS TO RUEHC/SECSTATE WASHDC PRIORITY 4429 INFO RUEHBO/AMEMBASSY BOGOTA PRIORITY 6432 RUEHBR/AMEMBASSY BRASILIA PRIORITY 5448 RUEHLP/AMEMBASSY LA PAZ PRIORITY 1977 RUEHPE/AMEMBASSY LIMA PRIORITY 0207 RUEHMU/AMEMBASSY MANAGUA PRIORITY 1193 RUEHME/AMEMBASSY MEXICO PRIORITY 3744 RUEHOT/AMEMBASSY OTTAWA PRIORITY 0703 RUEHQT/AMEMBASSY QUITO PRIORITY 2057 RUEHTC/AMEMBASSY THE HAGUE PRIORITY 0938 RUEHROV/AMEMBASSY VATICAN PRIORITY RUCNDT/USMISSION USUN NEW YORK PRIORITY 0177 RUEHMI/USOFFICE FRC FT LAUDERDALE PRIORITY 3063 RUMIAAA/HQ USSOUTHCOM MIAMI FL PRIORITY RHEHNSC/NSC WASHDC PRIORITY RUEHUB/USINT HAVANA PRIORITY 0694 RUCNMEM/EU MEM COLLECTIVE

C O N F I D E N T I A L SECTION 01 OF 03 CARACAS 001266

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TAGS: <u>PGOV PHUM ELAB KDEM SCUL VE</u> SUBJECT: GERMAN FOUNDATIONS FRUSTRATED IN VENEZUELA

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Classified By: Robert Downes, Political Counselor, for Reason 1.4(b).

Summary

11. (C) Major German foundations such as the Friedrich Ebert and Konrad Adenauer Stiftungs have been active in Venezuela for decades. In recent years their efforts have declined somewhat due to the extreme polarization of the Venezuelan society and the resultant reluctance of both sides to enter into a dialogue of the issues, an area that these organizations seek to promote. Leaders of both organizations expressed their frustration over the difficulties of working within Venezuela, but noted they will continue with their pro-democracy efforts. The Friedrich Ebert group, that traditionally worked with labor unions and the Accion Democratica (AD) Party, noted that both groups appear to have less interest in working with the German foundation than in the past. Its efforts to reach out to pro-government groups have met with essentially no success outside of the National Assembly. The Konrad Adenauer foundation, which traditionally worked with the Christian Democrats (COPEI), has recently supported election watchdog NGO Sumate in its efforts to create a national congress of NGOs, and has worked with organizations defending freedom of the press and expression. end summary.

Friedrich Ebert Stiftung

13. (C) The Friedrich Ebert Stiftung has operated in Venezuela under the name of the Latin American Institute for Social Investigations (Instituto Latinoamericano de Investigaciones Sociales or ILDIS) since 1973. Friedrich Ebert is affiliated with the Social Democratic Party in Germany. EmbOffs spoke with Dr. Kurt-Peter Schuett, Director of ILDIS, and one of his project coordinators regarding the organization's programs. Schuett began by noting that ILDIS traditionally worked with the Confederacion de Trabajadores de Venezuela

- (CTV), the umbrella organization for most unions in Venezuela, as well as with Democratic Action (AD) and Movement towards Socialism (MAS) political parties. While the foundation still works with these organizations, Schuett said the CTV is weak and largely irrelevant and the parties are small and politically insignificant with little future. (The CTV has traditionally had strong links to AD.) The foundation does continue to hold seminars and training programs with the CTV. The parties, however, seemed indifferent to the foundation's assistance, with AD last year rejecting offers for training sessions and leadership capacity building programs. Schuett noted that this was disappointing, as since 1992, the Foundation had tried to work with AD to modernize the party and make it more democratic. The AD "dinosaurs", he noted, resisted the foundations efforts and were more interested in winning elections than in governing the nation.
- ¶4. (C) Schuett said that the foundation had been trying to work with the Chavez government, but this was becoming increasing difficult. In 2005 the foundation started to work with the Energy Ministry on training seminars and regional integration programs. After 2-3 months, the government cut all contacts with the foundation and wouldn't even return calls. Mid-level Chavistas told them privately that they feared being seen as cooperating with foreigners, particularly "los adecos Alemanes" (the German Democratic Action representatives). Similarly their efforts to reach out to the Fifth Republic Movement (MVR), Chavez' political party, were unsuccessful. The foundation did sign a cooperative agreement with the National Assembly in October 2005 to develop projects focused on "What does socialism in the 21st century mean?", but since signing there had been no progress in working on projects. Schuett noted that this was partially due to indifference by the National Assembly and

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partially due to that institution's extremely low capacity to do anything. The foundation was also seeking to work with the National Workers Union (UNT), the Chavista umbrella union, but with little success.

15. (C) Schuett said he was pessimistic about the organization's ability to help strengthen democratic structures in Venezuela and its growing isolation by the various actors. The foundation's traditional focus had been on institution building and promoting dialogue. The real problem in Venezuela, he noted, was that the society had become so polarized that no one, particularly in the government, was really interested in debate or discussion. The organization would, however, continue to try to find a role in Venezuela and also develop projects and policy papers focused on regional security and integration.

## Konrad Adenauer Stiftung

¶6. (C) The Konrad Adenauer Foundation has been working in Venezuela since 1962. It is affiliated with the German Christian Democratic Union party. EmbOffs spoke with Dr. Hubert Gehring, Konrad Adenauer's representative to Venezuela. Gehring is currently living in Mexico, where he also works for Konrad Adenauer, but is in the process of relocating to Venezuela. His predecessor was quite vocal in his criticism of the Chavez administration and was briefly kidnapped in the fall of 2005 by persons who apparently mistook him for the German Ambassador. The organization has been under pressure from the Chavez administration for a number of years due to its public stance, including the previous director's marching with opposition parties in demonstrations. In 2004, reports and donations it made in Venezuela were publicly criticized as "interfering with the progress of the Bolivarian revolution" and raised by the Venezuelan Ambassador to Germany. That same year the foundation raised the ire of the government by joining 70 other individuals and organizations, including former Czech

President Vaclav Havel and former Secretary Albright, in signing a letter to President Chavez calling the prosecution of the leadership of the NGO watchdog Sumate as a "grave threat to democracy". Gehring noted that the government was also reducing the amount of time given in visas to foundation members, forcing them to ask for government renewal more often.

- 17. (C) The foundation continues to work with Sumate, funding seminars and activities in support of Sumate's efforts to organize a national congress in Venezuela of NGOs. Gehring said that the foundation would be keeping a lower profile and taking a more pragmatic approach to its pro-democracy efforts in Venezuela. He said his fundamental goal was to keep the foundation operating in Venezuela. Despite these statements, several days later on International Press Freedom Day, the foundation joined two other groups in releasing a critical report on the current state of freedom of the press and expression in Venezuela, financed by Gehring's predecessor.
- ¶8. (C) Gehring said he expected the political, social and economic situation to continue to worsen in Venezuela. He was frustrated that there were fewer organizations that were willing to work with his foundation, but it would continue to reach out to pro-democracy groups. He noted that the foundation was working with the Primero Justicia Foundation, which supported/trained young politicians. In addition, his foundation was engaging in cooperative projects with the Catholic Church and was beginning to work with electoral watchdog Ojo Electoral and human rights groups such as PROVEA, the Venezuelan Prison Observatory (OVP) and the Foundation for Justice and Democracy, as well as almost two dozen other groups and NGOs within Venezuela.

Comment

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19. (C) Despite their long experience in working in Venezuela, the German foundations, like many other foreign aid and pro-democracy organizations, are increasingly being hindered by the growing political polarization here, as well as by deliberate actions by the BRV. Representatives from both organizations expressed their deep frustration, both with the attacks on the few remaining democratic institutions within Venezuela and with the BRV's success in isolating them and reducing their effectiveness. They both however said they would seek to continue to work actively in Venezuela and had a long term commitment to supporting pro-democracy efforts in this country.

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